

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

ATTORNEY GENERAL'S FIRST SET OF DOCUMENT AND  
INFORMATION REQUESTS

D.T.E. 05-35

Respondent: Nancy G. Culliford

Date: July 26, 2005

Information Request AG-1-4

- Q. Did the Company perform an RFP to request future pipeline capacity? If not, on what basis does the Company maintain its assumption that this is its only option to obtain much needed capacity?
- A. The Company did not perform an RFP to request pipeline capacity at the time it made its decision. Part of the Company's planning process is to continuously monitor transportation and supply projects relevant to the Northeast. Since the Company relies on the Tennessee, Algonquin/Texas Eastern and Maritimes Northeast pipelines for delivery to its city gates, the company looked upstream of those pipelines to potential supply sources. At the time of the Tennessee ConneXion Project open season, expansion of Maritimes and the anticipated Canadian LNG projects were still in the formative stages and no Algonquin/Texas Eastern expansion was envisioned. Therefore, the Tennessee ConneXion Project was at the time the most reasonable and economically-viable solution, with access back to the Gulf Coast supply basin. In addition, the low cost of this particular capacity expansion is better for the ratepayer than any other large-scale transportation capacity project for which the Company had information.